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Title: Need to modify the process of assessment and imposition of income tax.

SHRI S. SEMMALAI (SALEM): At present most of the income tax returns are processed by the Centralized Processing Centre at Bangalore.

In most cases there is variation between the income return filed and income assessed due to technical flaw (software problem) of Infosys at CPC. There is also mismatch of challans and TDS resulting in paper demand not collectible. This leads to enormous correspondence between the assessee and CPC resulting only in enrichment of Infosys. These paper demands are sent to the Range in which the assessee is assessed for collection. The regular assessing officer is unable to correct the mistakes and also give credit for mismatch of challans (advance tax and self assessment) and TDS. The CPC never owns responsibility and the assessee is the ultimate sufferer. He is forced to pay the paper demand and also denied refund of taxes for want of credit in most cases.

Hence it is suggested that the CPC has a joint sitting with the service provider (in this case Infosys) and sort out the areas of difference on a continuous basis and resolve the issue. Also the software may be suitably designed to enable the range heads to make rectification of mistakes in calculation and also to give credit for challans and TDS. This will solve the problems faced by the assessees and also help in reduction of paper demand.